# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

STARRED QUESTION NO:204
ANSWERED ON:08.08.2005
DECENTRALISATION OF PROCUREMENT
Owaisi Shri Asaduddin

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) whether the Food Corporation of India (FCI) proposes to promote decentralised procurement by seeking private participation to modernise storage infrastructure and networking through information technology etc.;

(b) if so, the details thereof;

(c) whether some States have already switched over to the new system and some others are likely to join soon;

(d) if so, the details thereof;

(e) whether the centralised system will help in increased procurement of foodgrains; and

(f) if so, the estimated increase in procurement of foodgrains?

## Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION ( SHRI SHARAD PAWAR )

(a), (b), (c), (d), (e) & (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE STARRED QUESTION NO. 204 DUE FOR ANSWER ON 8.8.2005 IN THE LOK SABHA.

(a) & (b): Government of India has been encouraging State Governments to adopt the Decentralised Procurement Scheme, though there is no specific proposal to involve the private sector under the Scheme.

However, a bulk grain handling, storage and transportation project to the tune of 5.5 lakh MTs capacity is being implemented with private sector participation under the `National Policy on Bulk Handling, Storage and Transportation of Foodgrains`, for which a service agreement has been signed between the FCI and M/s Adani Exports Limited on 28th June, 2005.

Information technology is being used for networking of depots through, the `Integrated Information System for Foodgrains Management` project presently under implementation by the FCI. The project, inter alia, will provide computerised information on the stock position in all FCI depots at any given point of time.

(c) & (d): 11 States/Union Territories have adopted the Decentralised Procurement Scheme. These are West Bengal, Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Uttranchal, Andaman & Nicobar Islands, Orissa, Tamil Nadu, Gujarat, Karnataka and Kerala.

(e) & (f): The decentralised procurement system has led to increased procurement of foodgrains from non-traditional States such as Chattisgarh, Orissa and Tamil Nadu. The estimated increase in the procurement of rice through the States which have adopted the Decentralised System of Procurement is 10 lakh tonnes in KMS 2004-2005 over the procurement in these States last year. In the case of wheat, however, there has been a fall in procurement in the Decentralised Procurement States to the tune of 10.6 lakh tonnes in RMS 2005-06 in comparison to the procurement in RMS 2004-05.